THE UNDER SECRETARY OF DEFENSE



3010 DEFENSE PENTAGON WASHINGTON, DC 20301-3010

21 OCT 1999

MEMORANDUM FOR PROGRAM MANAGERS AND INTEGRATED PRODUCT TEAM MEMBERS

SUBJECT: Rules of the Road: A Guide for Leading Successful Integrated Product Teams

The Defense Systems Affordability Council (DSAC) has enumerated three top-level goals for the Department: field high-quality defense products quickly and support them responsively; lower the total ownership cost of defense products; and reduce the overhead cost of the acquisition and logistics infrastructure. Every individual in the Department must manage and direct his or her activities toward these common goals and objectives, in order for the Department to achieve them. I have outlined four principal responsibilities and implementation steps that are critical to the Department's achieving these goals: communicate the strategy; organize effectively; continuously educate and train the acquisition workforce; and monitor progress and update.

Integrated Product Teams (IPTs) are an essential ingredient in being organized effectively in the Department; therefore, their effective and efficient use throughout the acquisition process provides valuable contributions toward our meeting the DSAC top-level goals. The attached *Rules of the Road: A Guide for Leading Successful Integrated Product Teams* is a living document that facilitates organizing, leading, and participating in effective and efficient IPTs. The Director, Systems Acquisition, has updated this key guide, and I commend it to every Program Manager and IPT member in the Department.

J. S. Gansler

Attachment:

DISTRIBUTION:

Attached



Distribution:

Secretaries of the Military Departments
(Attn: Acquisition Executives)
Chairman of the Joint Chiefs of Staff
Under Secretaries of Defense
Assistant Secretaries of Defense
General Counsel of the Department of Defense
Inspector General of the Department of Defense
Director, Operational Test and Evaluation
Assistants to the Secretary of Defense
Director, Administration and Management
Director, Program Analysis and Evaluation
Chairman, OSD Cost Analysis Improvement Group
Directors of the Defense Agencies
President, National Defense University
Commandant, Defense Systems Management College

FOREWORD

In May 1995 the Secretary of Defense directed the Department to apply the Integrated Product and Process Development (IPPD) concept of using Integrated Product Teams (IPTs) throughout the acquisition process. In July 1999 the Under Secretary of Defense for Acquisition and Technology reaffirmed the Department's commitment to the IPPD and IPT concepts by requesting an update to the Rules of the Road: A Guide for Leading Successful Integrated Product Teams. This update incorporates four years of experience the Department has gained in the IPT process and provides guidelines for more effective IPT operations.

This Rules of the Road guide is a "living" document, and the guidelines herein are designed to assist the Program Manager by engaging both OSD and Service staffs in the IPT process. By engaging all levels of the acquisition community early and continuously throughout the process, issues will be identified and resolved as early as possible.

These guidelines complement DoD 5000.2-R, and the extracts therefrom are mandatory. Other guidelines herein are discretionary, but represent best business practices and will be included in an upcoming update to the discretionary section of the Defense Acquisition Deskbook. The guide describes the IPT process for ACAT ID and ACAT IAM acquisition programs, but the concepts are applicable for all programs.

Please address any questions or recommendations to improve this document to Dr. Joseph Ferrara, Deputy Director for Acquisition Systems Management, at (703) 614-5420 or email Ferrarj@acq.osd.mil.

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